

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE
Revised

House Bill 785
Judiciary

(Delegate Lee, *et al.*)

Judicial Proceedings

Identity Fraud - Uniform Reporting Form

This bill requires the Police Training Commission to develop a uniform identity fraud reporting form that (1) makes transmitted data available on or before October 1, 2011, for use by each law enforcement agency of State and local government; and (2) may authorize the data to be transmitted to the Consumer Sentinel program in the Federal Trade Commission. The form must be developed with the cooperation of the Office of the Attorney General, the Governor's Office of Crime Control and Prevention, and the Federal Trade Commission.

Fiscal Summary

State Effect: The development of a uniform identity fraud reporting form can be handled with existing budgeted State resources.

Local Effect: None. The bill does not materially affect local finances.

Small Business Effect: None.

Analysis

Current Law: The term "personal identifying information" means: a name, address, telephone number, driver's license number, Social Security number, place of employment, employee identification number, mother's maiden name, bank or other financial institution account number, date of birth, personal identification number, credit card number, or other payment device number. A "consumer report" is any written or oral communication of any information by a consumer reporting agency that reflects a

consumer credit worthiness, standing, capacity or other characteristics that indicate eligibility for credit, insurance, employment, or other purposes, as specified.

A person may not knowingly, willfully, and with fraudulent intent possess, obtain, or help another to possess or obtain any individual's personal identifying information without the consent of that individual to use, sell, or transfer the information to get a benefit, credit, good, service, or other thing of value in the name of that individual. A person may not knowingly and willfully assume the identity of another to avoid identification, apprehension, or prosecution for a crime or with fraudulent intent to get a benefit, credit, good, service, or other thing of value or to avoid payment of debts or other legal obligations. A person may not knowingly and willfully claim to represent another person without the knowledge and consent of that person, with the intent to solicit, request, or take any action to otherwise induce another person to provide personal identifying information or a payment device number.

If the benefit, credit, good, service, or other thing that is the subject of the crime is valued at \$500 or more, then a person who violates this identity fraud provision is guilty of a felony and is subject to maximum penalties of 15 years imprisonment and/or a fine of \$25,000. If the benefit or other thing has a value of less than \$500, or if a person knowingly and willfully assumes the identity of another to avoid identification, apprehension, or prosecution for a crime, then the violator is guilty of a misdemeanor and is subject to maximum penalties of 18 months imprisonment and/or a fine of \$5,000.

If circumstances reasonably indicate that a person's intent was to manufacture, distribute, or dispense another individual's personal identifying information without the individual's consent, the violator is guilty of a felony and is subject to imprisonment for up to 15 years and/or a fine up to \$25,000. If the violation is committed pursuant to a scheme or continuing course of conduct, the conduct may be considered one offense. The value of goods or services may be combined to determine whether the violation is a felony or misdemeanor.

Background: The Identity Theft Data Clearinghouse, sponsored by the Federal Trade Commission (FTC) and the Consumer Sentinel, a consortium of national and international law enforcement and private security entities, released *Identity Theft Victim Complaint Data* for calendar 2007 (the latest information available). In calendar 2007, FTC received 258,427 identity theft complaints. In calendar 2006, the number of identity theft complaints was 246,124. In Maryland, residents reported 4,821 instances of identity theft in 2007, or 85.8 complaints per 100,000 population, ranking Maryland tenth in the nation for identity theft. As has been the case for the last several years, the most common type of identity theft was credit card fraud, which comprised 28% of all complaints.

The second most prevalent type of identity fraud involved the opening of new accounts for wireless devices, utilities and the telephone, at 19% of all complaints.

In November 2007, FTC released a national survey, *The 2006 Identity Theft Survey Report*. FTC reports that the survey suggests that 8.5 million United States adults discovered that they were victimized by some form of identity theft in calendar 2005.

Baltimore County advises that 380 individuals were convicted of identity theft offenses in the county in calendar 2009.

Additional Information

Prior Introductions: None.

Cross File: SB 815 (Senator Forehand, *et al.*) - Judicial Proceedings.

Information Source(s): Office of the Attorney General, Governor's Office of Crime Control and Prevention, Garrett and Montgomery counties, Department of Legislative Services

Fiscal Note History: First Reader - February 28, 2010
ncs/kdm Revised - Correction - April 7, 2010

Analysis by: Amy A. Devadas

Direct Inquiries to:
(410) 946-5510
(301) 970-5510